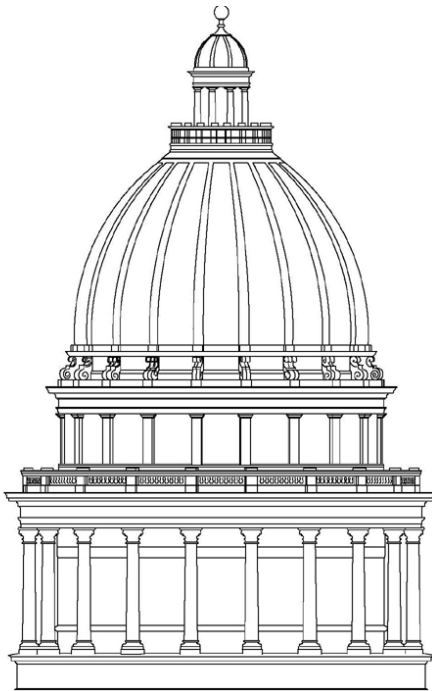


An In-Depth Budget Review of the Utah Department of Transportation



Report to the Legislative Audit Subcommittee

September 2016

Audit Scope and Objectives

II

Budgetary
Controls

III

Outsourcing

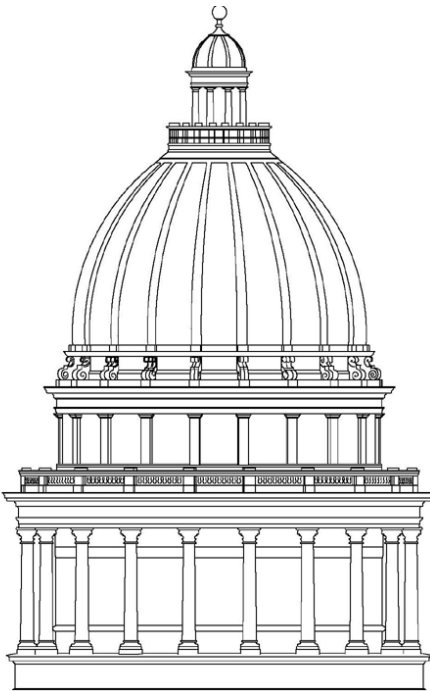
IV

Contract
Oversight

V

Corridor
Preservation

Chapter II



Improved Budgetary Controls
Are Needed

Budgeting for Equipment Management Is Not in Line with Statute

Longstanding Use of Dedicated Credits is Not Consistent with Statute

Double-Counts Revenues

Equipment
Management
Line Item

Equipment

Rents and Usage Fees

Operations and
Maintenance
Line Item

Inappropriately Transfers Money Between
Line Items

FOR MORE INFORMATION

See Chapter II, pages 12-14

Budgeting and Accounting for Cooperative Agreements Needs Improvement

Local Projects Inflate UDOT Expenditures

Underestimated in UDOT's Budget

Inappropriately Labeled as Dedicated Credits

Recommend a Separate Line Item for Cooperative Agreements

FOR MORE INFORMATION

See Chapter II, pages 15-18

UDOT Oversight of B&C Road Funds Needs Improvement

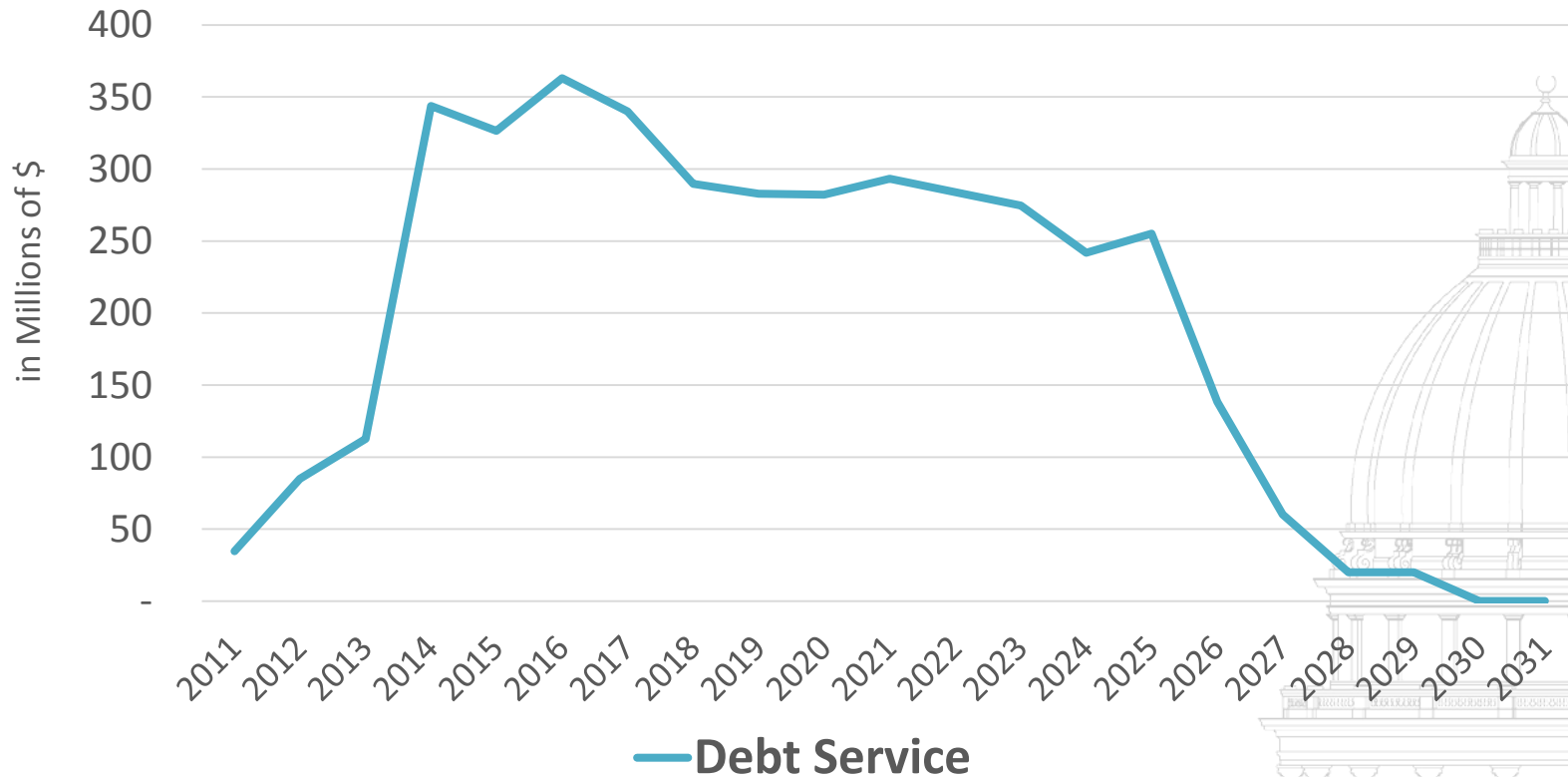
B&C Road funds statute should be updated to reflect current practice.

UDOT does not verify compliance for the use of more than \$126 million in B&C road funds

FOR MORE INFORMATION

See Chapter II, pages 18-19

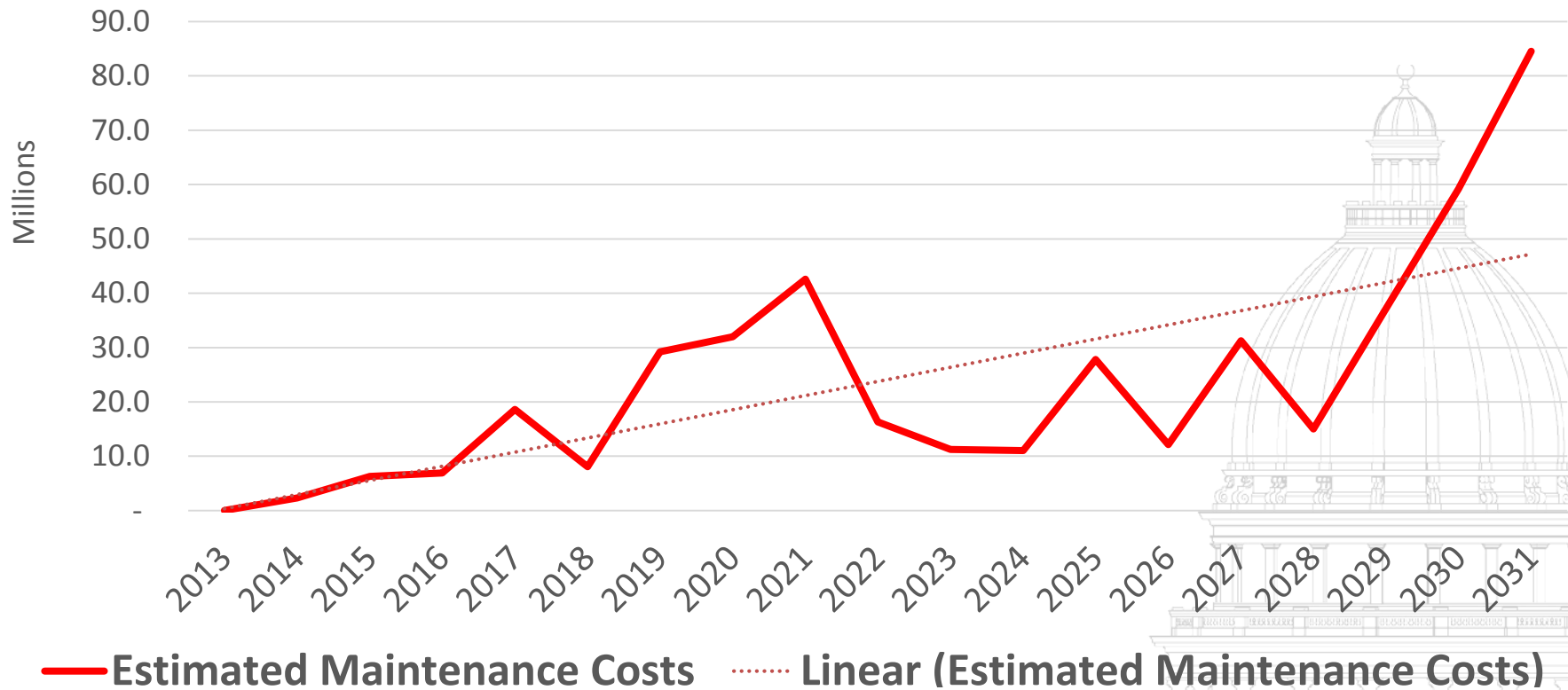
Transportation Investment Fund Obligations Reduce Funds for Capacity Programs



FOR MORE INFORMATION

See Chapter II, pages 20-21

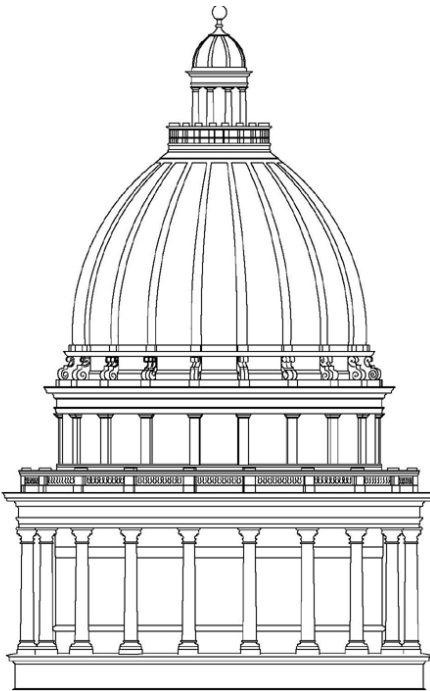
Transportation Investment Fund Obligations Reduce Funds for Capacity Programs



FOR MORE INFORMATION

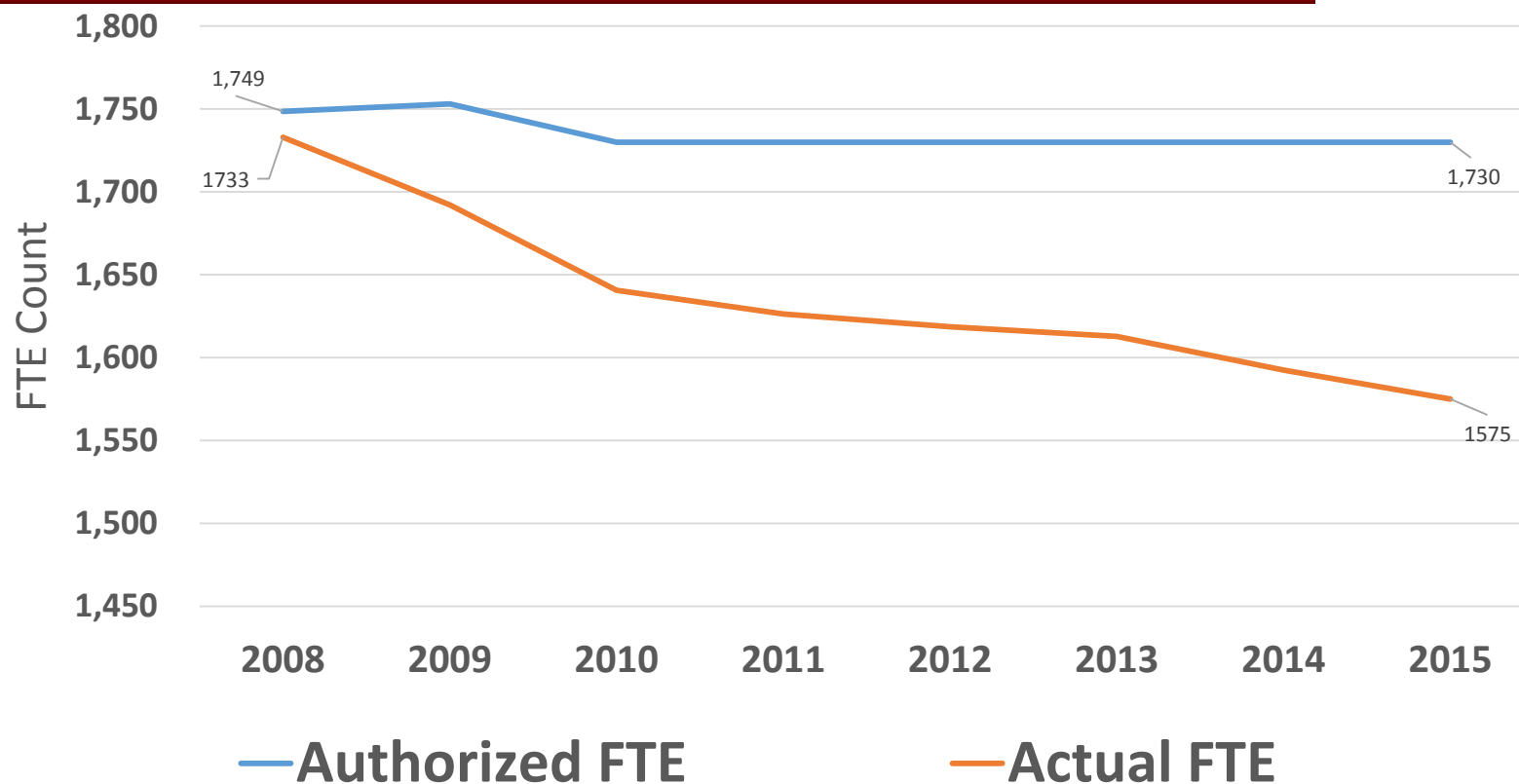
See Chapter II, pages 21-22

Chapter III



Outsourcing Needs to Be
Evaluated by UDOT

UDOT is Filling Some Vacant Positions With Consultants



FOR MORE INFORMATION

See Chapter III, pages 26-29

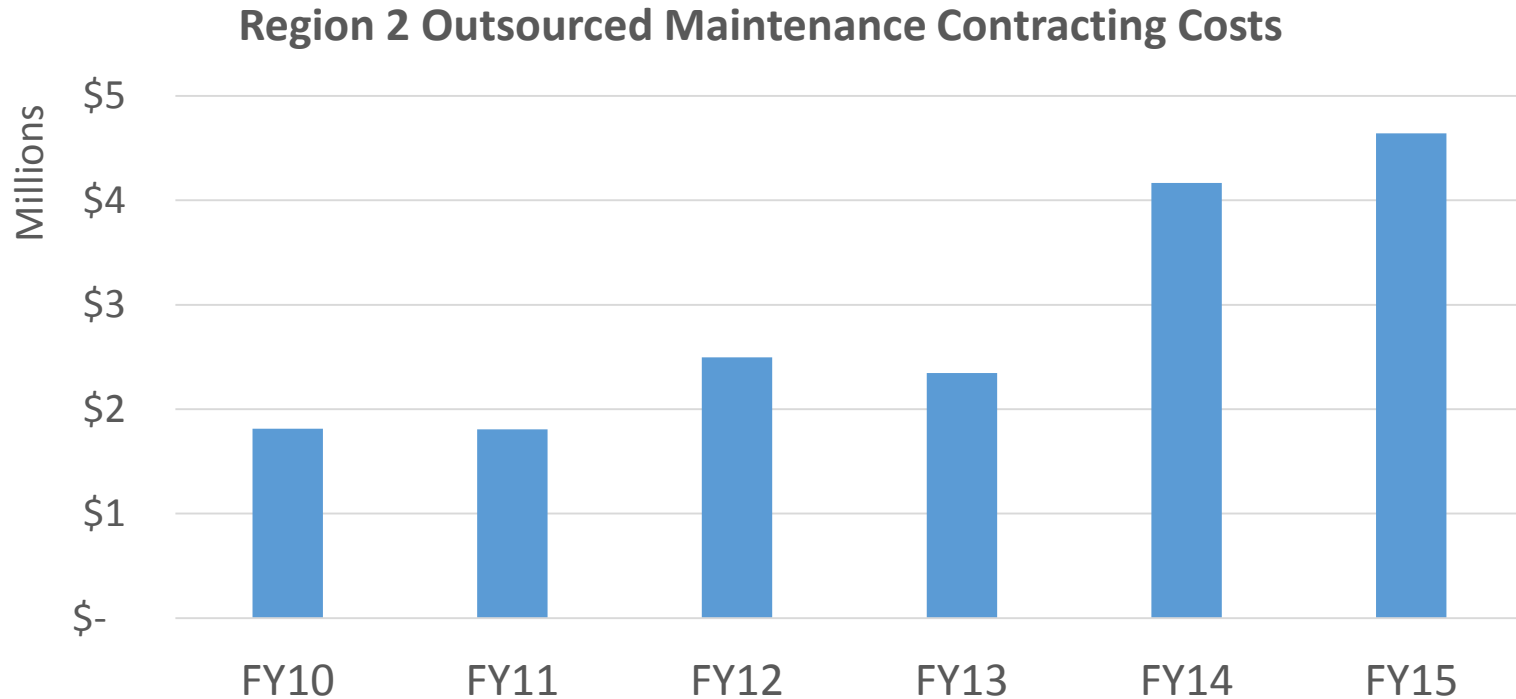
Consultants Cost Significantly More Than Comparable In-House FTEs

Position	Total Hourly Cost	
	Outsourced	In-house
Right of Way Agent I	\$101.29	\$39.87
Purchasing Agent II	\$103.00	\$32.86
Engineering Manager II	\$183.00	\$68.97

FOR MORE INFORMATION

See Chapter III, pages 29-31

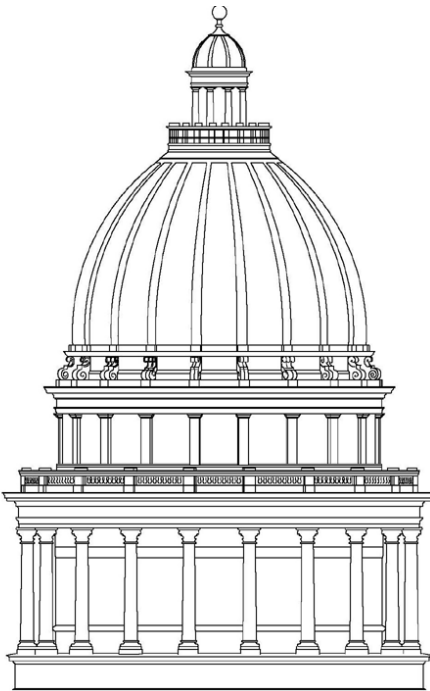
Some Maintenance Activity Costs Are Higher Because of Outsourced Work



FOR MORE INFORMATION

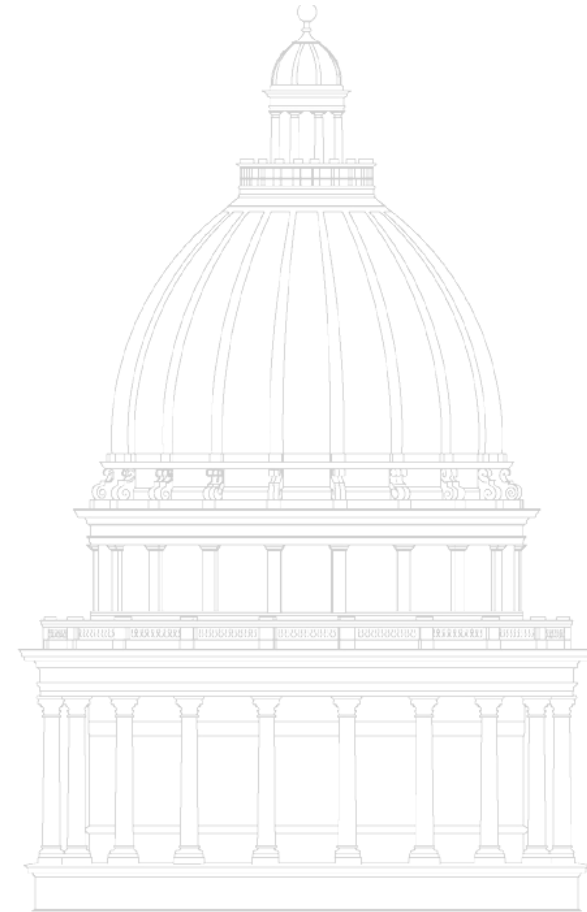
See Chapter III, pages 35-40

Chapter IV



Contract Oversight Needs to Be
Strengthened

109 Signs Installed Incorrectly on SR 36



FOR MORE INFORMATION

See Chapter IV, pages 43-44

Signs with Safety Concerns on Bangerter



FOR MORE INFORMATION

See Chapter IV, page 45

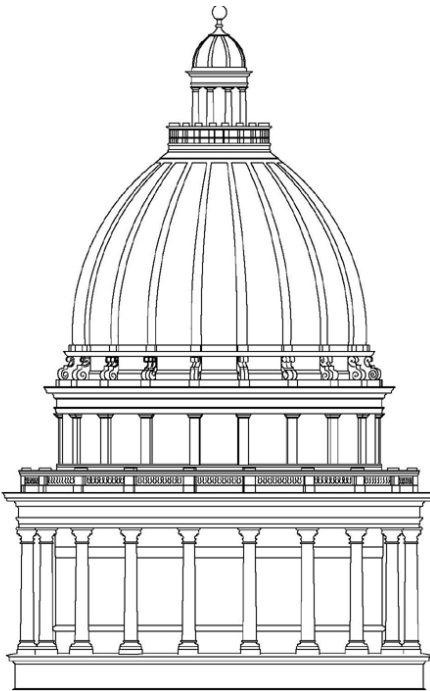
Signs with Safety Concerns on Bangerter



FOR MORE INFORMATION

See Chapter IV, pages 45-47

Chapter V



Enhanced Cooperation and Oversight
Would Strengthen the Corridor
Preservation Fund

More Proactive Measures Could Strengthen Corridor Preservation Fund

Actions by some municipalities cost the CPF millions

Some municipalities work well with UDOT to efficiently use CPF monies

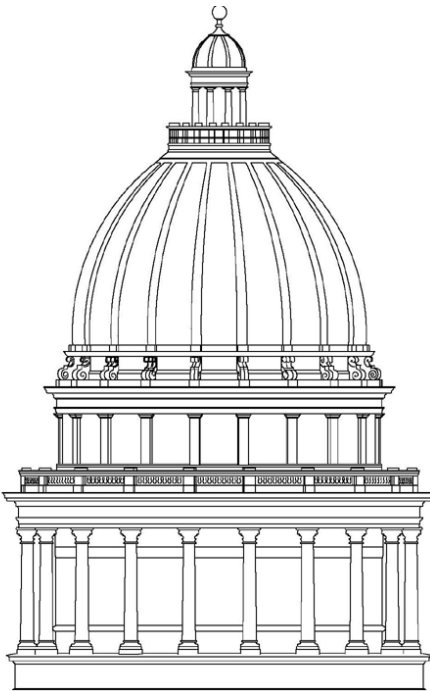
We recommend that UDOT be more proactive in working with municipalities

FOR MORE INFORMATION

See Chapter V, pages 49-54



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